



Public School Employees' Application to Purchase Maternity/Paternity/Child Rearing Credit

Eligibility

You may purchase up to five years of service credit if you either separated from Michigan public school (or out-of-system public education service) or reduced your hours to care for your natural-born or adopted child.

Purchased credit is included in your years of service credit total that the retirement system will use to compute your pension amount. By purchasing service credit, you can increase your pension and qualify for a pension earlier than otherwise possible.

You can work up to 20 hours per week during your child rearing time and still be eligible to buy service credit. This applies only when your employer does not participate under this Retirement System, the State Employees Retirement System or an out-of-system public educational agency.

Conditions

- You may purchase any fraction of a year at any time.
- You cannot use this purchased credit to satisfy your minimum service credit requirement to vest.
- Once you are vested, this service is used to calculate your pension.
- Your employer must certify the date you separated or reduced hours for maternity/paternity/child rearing purposes
- You must be an active member of this retirement system or have an employee/employer relationship with an educational agency when you purchase.

- Service credit must be purchased or granted before you terminate your public school employment—you must make payment before you retire or leave employment.

Application Instructions

To apply for maternity, paternity or child rearing time credit, complete Part 1 of the application form and have the appropriate school official complete Part 2. Send your completed application form along with **photocopies of your child(ren)'s birth certificate(s) or final adoption papers** to ORS at the above address. Keep these instructions for your records.

ORS will review your records once your application arrives and send you a *Member Billing Statement*. This statement lists the amount of this service you can purchase, the cost, and the due date. Although it is called a billing statement, you're not obligated to buy this credit.

If you don't purchase the credit shown on the statement before the due date, you will need to request another billing statement with updated cost information.

Cost

The cost to purchase maternity, paternity, or child rearing time is based on an actuarial formula. Your cost for each year purchased is a percentage of your highest previous fiscal-year earnings (from July 1 through June 30). That percentage is in the **Actuarial Cost Table** on the next page, and is based on your age and years of service.

Wages. We will equate any part-time or partial year wages to a full-time, full-year wage for your service credit cost calculation. If you had no wages in the immediately preceding fiscal-year because you are new or returning to public school employment, you must wait until July 1, (the start of the new fiscal-year) before applying for service credit.

Years of Service. Your years of service used to calculate your purchase cost includes all earned service, service already purchased, service that is purchased but is pending vesting, and service credit that is being purchased with tax deferred payments (TDP) agreements as of July 1 of the year you are making the purchase.

Age. Use your age as of July 1 in the current fiscal-year.

Calculate Estimated Cost. Please refer to the **Actuarial Cost Table** below for specific percentage rates. To estimate your cost for one year of credit, use the following formula.

$$\begin{aligned} & \text{Highest Michigan Public School Fiscal Year Wage} \\ & \quad \times \text{Percentage Rate} \\ & = \text{Cost for One Year} \end{aligned}$$

To estimate your total cost, multiply the cost for one year by the total years eligible to purchase.

Complete information about service credit purchases and pension requirements is in the *Enhancing Your Pension* booklet on the ORS web site at www.michigan.gov/ors or call ORS to request a copy.

Actuarial Cost Table for MIP Members*											
Effective January 1, 2004											
Age	Years of Service			Age	Years of Service			Age	Years of Service		
	0 - 9.9999	10 - 19.9999	20 & Over		0 - 9.9999	10 - 19.9999	20 & Over		0 - 9.9999	10 - 19.9999	20 & Over
Up to 24	10.5%	14.5%	18.5%	36	12.5%	16.5%	20.5%	49	12.5%	16.5%	20.5%
25	10.7	14.7	18.7	37	12.5	16.5	20.5	50	12.5	16.5	20.5
26	10.9	14.9	18.9	38	12.5	16.5	20.5	51	12.5	16.5	20.5
27	11.1	15.1	19.1	39	12.5	16.5	20.5	52	12.5	16.5	20.5
28	11.3	15.3	19.3	40	12.5	16.5	20.5	53	12.5	16.5	20.5
29	11.5	15.5	19.5	41	12.5	16.5	20.5	54	12.5	16.5	20.5
30	11.7	15.7	19.7	42	12.5	16.5	20.5	55	12.5	16.5	20.5
31	11.9	15.9	19.9	43	12.5	16.5	20.5	56	12.5	16.5	19.5
32	12.1	16.1	20.1	44	12.5	16.5	20.5	57	12.5	16.5	18.5
33	12.3	16.3	20.3	45	12.5	16.5	20.5	58	12.5	16.5	17.5
34	12.5	16.5	20.5	46	12.5	16.5	20.5	59	12.5	16.5	17.0
35	12.5	16.5	20.5	47	12.5	16.5	20.5	60 & over	12.5	16.5	16.5
				48	12.5	16.5	20.5				

*Note: The percentage rate for a Basic Plan member is 4% lower. These rates are subject to change.

**Office of Retirement Services**

P.O. Box 30171

(800) 381-5111 (Lansing area 322-5103)

Lansing MI 48909-7671

www.michigan.gov/ors

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Part 1. Complete this page and take or send it to the organizations you list below to have them certify your employment on the reverse side. Send the completed form to the Office of Retirement Services (ORS). **Attach a photocopy of child(ren)'s birth certificate(s) or final adoption papers.** ORS will determine if you can purchase this time to enhance your public school service credit. If it is creditable, we will send you a billing statement showing the cost. Refer to the instructions for eligibility requirements, application due date, and estimated purchase costs. Please type or print all information.

NAME (LAST, FIRST, M.I.)	SOCIAL SECURITY NUMBER*
ADDRESS	TELEPHONE ()
CITY, STATE, ZIP	ANTICIPATED RETIREMENT DATE, IF KNOWN
PREVIOUS NAMES USED DURING MICHIGAN PUBLIC SCHOOL EMPLOYMENT, IF ANY	
1.	2.

To help your employer identify the time periods for which you wish to purchase credit, please list the approximate beginning and ending dates you separated from or reduced your hours of Michigan Public School or out-of-system public educational service for maternity, paternity or child rearing purposes. If you are applying for credit covering more than three periods, complete a second application.

FIRST SEPARATION/REDUCTION OF HOURS	
SCHOOL OR EDUCATIONAL AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
SCHOOL OR EDUCATIONAL AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/HOURS INCREASED
SECOND SEPARATION/REDUCTION OF HOURS	
SCHOOL OR EDUCATIONAL AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
SCHOOL OR EDUCATIONAL AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/HOURS INCREASED
THIRD SEPARATION/REDUCTION OF HOURS	
SCHOOL OR EDUCATIONAL AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
SCHOOL OR EDUCATIONAL AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/HOURS INCREASED
I certify that during the periods indicated above I did not work more than 20 hours per week, other than for a Michigan public school, the state of Michigan or an out-of-system public educational agency, and that the above statements are true to the best of my knowledge and belief.	
SIGNATURE	DATE

After obtaining the certifications on the reverse side, return this completed form with birth certificate(s) or adoption papers to ORS, P.O. Box 30171, Lansing, MI 48909-7671
Keep a copy for your records.

NAME (LAST, FIRST, M.I.)	SOCIAL SECURITY NUMBER
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Part 2: Educational Agency Certification

Please list when the applicant separated or reduced hours from this agency for maternity, paternity or child rearing reasons and, if applicable, when he/she returned. Please return the form to the employee.

CERTIFYING EDUCATIONAL AGENCY		SOURCE DOCUMENT (CHECK ONE) <input type="checkbox"/> PAYROLL RECORDS <input type="checkbox"/> PERSONNEL RECORDS <input type="checkbox"/> OTHER (SPECIFY) _____	
DATE LEFT	DATE RETURNED	DATE LEFT	DATE RETURNED
I certify that the above statements are true to the best of my knowledge and belief.			
AGENCY OFFICIAL'S NAME (PLEASE PRINT)		AGENCY OFFICIAL'S TITLE	
SIGNATURE		DATE	TELEPHONE ()
STREET ADDRESS, CITY, STATE, ZIP			

CERTIFYING EDUCATIONAL AGENCY		SOURCE DOCUMENT (CHECK ONE) <input type="checkbox"/> PAYROLL RECORDS <input type="checkbox"/> PERSONNEL RECORDS <input type="checkbox"/> OTHER (SPECIFY) _____	
DATE LEFT	DATE RETURNED	DATE LEFT	DATE RETURNED
I certify that the above statements are true to the best of my knowledge and belief.			
AGENCY OFFICIAL'S NAME (PLEASE PRINT)		AGENCY OFFICIAL'S TITLE	
SIGNATURE		DATE	TELEPHONE ()
STREET ADDRESS, CITY, STATE, ZIP			

CERTIFYING EDUCATIONAL AGENCY		SOURCE DOCUMENT (CHECK ONE) <input type="checkbox"/> PAYROLL RECORDS <input type="checkbox"/> PERSONNEL RECORDS <input type="checkbox"/> OTHER (SPECIFY) _____	
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I certify that the above statements are true to the best of my knowledge and belief.			
AGENCY OFFICIAL'S NAME (PLEASE PRINT)		AGENCY OFFICIAL'S TITLE	
SIGNATURE		DATE	TELEPHONE ()
STREET ADDRESS, CITY, STATE, ZIP			

A person who, with intent to deceive, makes a false statement in a report or record required under this retirement system or who, with intent to deceive, violates this act or a rule promulgated under this act is guilty of a misdemeanor punishable by imprisonment of not more than 90 days or a fine of not more than \$500 or both. (1980 P.A. 300, as amended, Section 105.)